September 2, 2005

STEPHEN T WHITEHOUSE PO BOX 1273 601 W RAILROAD AVE STE 300 SHELTON WA 98584

Subject: Complaint Filed Against People for Responsible Government – PDC Case #05-112

Dear Mr. Whitehouse:

The Public Disclosure Commission (PDC) staff has completed its investigation of your complaint received on October 26, 2004, alleging that People for Responsible Government failed to register and report as a political committee after sponsoring a mailing that allegedly opposed Herb Baze, a candidate for Mason County Commissioner in the November 2, 2004 general election.

PDC staff reviewed your allegations in light of the following statute and Commission interpretation:

RCW 42.17.020 defines a political committee as "any person (except a candidate or an individual dealing with his or her own funds or property) having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition."

PDC Interpretation 00-04, "Use of 'Soft Money' for Issue Advocacy," distinguishes "express advocacy" from "issue advocacy" as it relates to the permissibility of a party committee using funds it raises without regard to limit for "issue advocacy" expenses. The rationale for distinguishing between "express advocacy" and "issue advocacy" is applicable to the circumstances raised in your complaint as well. The Interpretation states that express advocacy has the distinguishing feature of either expressly calling for a vote for or against a candidate, or of attacking a candidate's character. The Interpretation contrasts this kind of communication with issue advocacy, which it states is intended to inform the public about political issues germane to an election, without any exhortation to vote for or against a specific candidate.

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We found that:

- In mid-October of 2004, People for Responsible Government sponsored a mailing to residents of Mason County that discussed the hiring of a county administrator in terms that were critical of the policy. The mailing urged the reader to communicate disapproval of the policy to the members of the county commission.
- The mailing featured a caricatured likeness of Mason County Commissioner Herb Baze, but did not contain an exhortation to vote against Mr. Baze nor was it an attack on his character.
- People for Responsible Government's mailing identified by likeness an incumbent candidate for Mason County Commission, and was distributed in the weeks before the November 2, 2004 general election. However, based on the principles of Public Disclosure Commission Interpretation 00-04, this mailing in and of itself was not enough to make the distributed material "express advocacy" in opposition to an identified candidate.

Because People for Responsible Government's mailing urged action only on the policies of the Mason County Commission, did not urge a vote against a candidate, and did not attack a candidate's character, it is considered "issue advocacy" rather than "express advocacy."

The expenditure incurred by People for Responsible Government did not support or oppose a candidate in a manner that would make it reportable under the Public Disclosure Law. Therefore, People for Responsible Government was not required to register and report as a political committee.

After a careful review of the alleged violations and relevant facts, we have concluded our investigation and, with the concurrence of the Chair of the Public Disclosure Commission, I am dismissing your complaint against People for Responsible Government.

If you have questions, please contact Phil Stutzman, Director of Compliance, at (360) 664-8853 or toll free at 1-877-601-2828.

Sincerely,

Vicki Rippie Executive Director

c: People for Responsible Government, c/o Rod Dembowski